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Press Release

DENVER, CO - April 29, 2014

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UDR ANNOUNCES FIRST QUARTER 2014 RESULTS

~ Reports First Quarter AFFO per Share of \$0.33 ~

First Quarter 2014 Highlights:

- Funds from Operations (“FFO”) per share was \$0.36 (+3% year-over-year), FFO as Adjusted per share was \$0.36 (+6%), and AFFO per share was \$0.33 (+6%).
- Year-over-year same-store revenue and net operating income (“NOI”) growth for the quarter were 4.5 percent and 5.6 percent, respectively.
- Completed three development communities containing 891 apartment homes at an aggregated estimated cost of \$295 million. The communities are located in San Francisco, CA, College Park, MD and Mission Viejo, CA.
- Acquired the Pacific City land parcel in Huntington Beach, CA for \$78 million. The 516 apartment home development site is fully entitled, has immediate access to high-end retail and the Pacific Coast Highway and is three blocks from the Huntington Beach Pier.
- Sold the Presidio at Rancho del Oro, a 27 year-old, 264 home community located in North County San Diego for \$48.7 million.
- Sold its minority ownership interests in two UDR / MetLife I Joint Venture operating communities to MetLife, and subsequent to quarter end, increased its ownership interest from 12 percent to 50 percent in the remaining six operating communities in the UDR / MetLife I Joint Venture. These six communities were contributed to the UDR / MetLife II Joint Venture. The Company paid MetLife approximately \$79 million, net, for the additional ownership interests.
- Increased its annualized declared dividend to \$1.04 per share, an 11 percent increase versus 2013.

	Q1 2014	Q1 2013
FFO per share	\$0.36	\$0.35
Gain on sale of land	(0.004)	-
Casualty-related (recoveries) / charges, net	0.002	(0.011)
FFO as Adjusted per share	\$0.36	\$0.34
Recurring capital expenditures	(0.025)	(0.026)
AFFO per share	\$0.33	\$0.31

A reconciliation of FFO, FFO as Adjusted and AFFO to GAAP Net Income attributable to UDR, Inc. can be found on Attachment 2 of the Company’s first quarter supplemental package.

Operations

Same-store NOI increased 5.6 percent year-over-year in the first quarter of 2014 driven by same-store revenue growth of 4.5 percent against a 2.2 percent increase in same-store expenses. Same-store physical occupancy was 96.2 percent as compared to 95.7 percent in the prior year period. The annualized rate of turnover decreased 120 basis points year-over-year to 44.1 percent in the quarter.

Summary of Same-Store Results First Quarter 2014 versus First Quarter 2013

Region	Revenue Growth	Expense Growth/ (Decline)	NOI Growth/ (Decline)	% of Same-Store Portfolio⁽¹⁾	Same-Store Occupancy⁽²⁾	Number of Same-Store Homes⁽³⁾
West	6.6%	2.8%	8.1%	39.6%	95.4%	11,847
Mid-Atlantic	1.1%	4.4%	(0.3)%	25.6%	96.4%	9,578
Southeast	4.6%	(0.4)%	7.3%	18.0%	96.6%	9,515
Northeast	4.8%	0.5%	6.5%	9.5%	96.6%	1,879
Southwest	5.4%	0.7%	8.5%	7.3%	96.6%	3,998
Total	4.5%	2.2%	5.6%	100.0%	96.2%	36,817

⁽¹⁾ Based on Q1 2014 NOI.

⁽²⁾ Average same-store occupancy for the quarter.

⁽³⁾ During the first quarter, 36,817 apartment homes, or approximately 89 percent of 41,455 total consolidated apartment homes (versus 52,567 apartment homes inclusive of joint ventures and development pipeline homes upon completion), were classified as same-store. The Company defines QTD same-store as all multifamily communities owned and stabilized for at least five consecutive quarters as of the beginning of the most recent quarter.

Sequentially, first quarter results followed typical seasonal trends with the Company's same-store NOI decreasing by 0.1 percent on revenue growth of 0.7 percent and a 2.5 percent increase in expenses.

Development and Redevelopment Activity

In the first quarter, the Company completed three development communities containing 891 apartment homes in San Francisco, CA, College Park, MD and Mission Viejo, CA at an aggregated estimated cost of \$295 million.

At the end of the first quarter, the Company's development pipeline totaled \$1.1 billion and was expected to produce a weighted average spread between estimated stabilized construction yields and current market cap rates near the midpoint of the Company's 150 to 200 basis point targeted range. The pipeline is 65 percent funded. Of the remaining \$671 million in development projects left to complete, \$183 million is expected to be completed in 2014, \$326 million in 2015 and the remainder in 2016.

During the first quarter, the Company completed the redevelopment of 138 homes at an aggregated cost of \$11.3 million at its Rivergate and 27 Seventy Five Mesa Verde projects.

Transactional Activity

In January 2014, the Company,

- Acquired Pacific City, a 17-acre land site in Huntington Beach, CA for \$78 million. The site is entitled for the development of 516 apartment homes, has immediate access to the Pacific Coast Highway and is only three blocks from the Huntington Beach Pier; and
- Sold Presidio at Rancho del Oro, a 264 home community located in North County San Diego for \$48.7 million. The 27 year-old property had average revenue per occupied home of \$1,485 in the fourth quarter of 2013 and was sold at a 5.4 percent cap rate.

Joint Venture / Partnership Investment Activity

On March 31, 2014, the Company sold its minority ownership interests in two small operating communities located in Los Angeles, CA to MetLife. The two communities had a market value of approximately \$85 million based on a 3.8% cap rate on estimated 2014 NOI. On April 21, 2014, the Company increased its ownership interest in the remaining six operating communities in the UDR / MetLife I Joint Venture from 12 percent to 50 percent. The six communities were contributed to the UDR / MetLife II Joint Venture. These condo-quality communities represent a mix of high-rise, mid-rise and garden style product, are primarily located in the Company's coastal core markets, and had an aggregate market value of approximately \$505 million based on a 4.8% cap rate on estimated 2014 NOI. Each of the communities was built between 2008 and 2010. In total, the market value of the eight operating communities in both transactions was \$590 million based on a weighted average cap rate of 4.6 percent on estimated 2014 NOI. The Company paid MetLife approximately \$79 million, net, for the additional ownership interests and will continue to manage the operating properties that were contributed to the UDR / MetLife II Joint Venture as well as the two operating communities in which it sold its minority ownership interests.

Debt attributable to the six operating communities that the Company increased its ownership interest in totals \$284 million, carries an average interest rate of 4.8 percent and an average term of 7.4 years.

Seven potential development land sites remain in the UDR / MetLife I Joint Venture of which the Company's ownership interest is approximately 4 percent. Additional details on the transactions are provided in the following table.

Community	Location	Homes	Rev. per Occup. Home ⁽¹⁾	Occup. ⁽¹⁾	Pre-Transaction		Post-Transaction	
					UDR Own. Interest	JV	UDR Own. Interest	JV
Acquired Ownership Interest								
Strata	San Diego	163	\$3,604	96.2%	14%	ML I	50%	ML II
717 Olympic	Los Angeles	151	3,786	94.4%	18%	ML I	50%	ML II
Cirque	Dallas	252	2,376	96.2%	19%	ML I	50%	ML II
Crescent Falls Church	Arlington, VA	214	2,998	94.9%	9%	ML I	50%	ML II
Lodge at Ames Pond	Tewksbury, MA	364	1,750	95.3%	9%	ML I	50%	ML II
Towson Promenade	Towson, MD	379	1,738	94.0%	9%	ML I	50%	ML II
Total		1,523	\$2,563	95.2%	12%		50%	
Sold Ownership Interest								
Ashton Westwood	Los Angeles	58	\$6,342	92.1%	9%	ML I	0%	N/A
Viridian	Los Angeles	60	4,018	89.3%	16%	ML I	0%	N/A
Total		118	\$4,817	90.2%	12%		0%	

(1) Average for 1Q 2014.

Balance Sheet

At March 31, 2014, the Company had \$628 million in availability through a combination of cash and undrawn capacity on its credit facilities.

The Company's total indebtedness at March 31, 2014 was \$3.6 billion. The Company ended the quarter with fixed-rate debt representing 81 percent of its total debt, a total blended interest rate of 4.0 percent and a weighted average maturity of 4.3 years. The Company's leverage was 39.9 percent versus 39.4 percent a year ago, net debt-to-EBITDA was 7.2x versus 7.3x a year ago and fixed charge coverage was 3.2x versus 3.0x a year ago.

Dividend

As previously announced, the Company's Board of Directors declared a regular quarterly dividend on its common stock for the first quarter of 2014 in the amount of \$0.26 per share. The dividend will be paid in cash on April 30, 2014 to UDR common stock shareholders of record as of April 9, 2014. The first quarter 2014 dividend will represent the 166th consecutive quarterly dividend paid by the Company on its common stock.

On an annualized declared basis, the Company's \$1.04 per share 2014 dividend represents an 11 percent increase versus 2013.

Outlook

For the second quarter of 2014, the Company has established the following guidance ranges:

- FFO per share: \$0.36 to \$0.38
- FFO as Adjusted per share: \$0.36 to \$0.38
- AFFO per share: \$0.31 to \$0.33

For the full-year 2014, the Company has reaffirmed its previously provided guidance ranges:

- FFO per share: \$1.47 to \$1.53
- FFO as Adjusted per share: \$1.47 to \$1.53
- AFFO per share: \$1.30 to \$1.36
- Annualized Declared Dividend per share: \$1.04

For the full-year 2014, the Company has reaffirmed its previously provided same-store growth guidance ranges:

- Revenue: 3.50% to 4.25%
- Expense: 2.75% to 3.25%
- Net operating income: 3.75% to 5.00%
- Physical occupancy: 96.0%

The Company will reevaluate its full-year 2014 earnings and same-store growth assumptions on its second quarter 2014 earnings conference call.

Additional assumptions for the Company's second quarter and full-year 2014 guidance can be found on Attachment 15 of the Company's first quarter Supplemental Financial Information.

Supplemental Information

The Company offers Supplemental Financial Information that provides details on the financial position and operating results of the Company which is available on the Company's website at www.udr.com.

Conference Call and Webcast Information

UDR will host a webcast and conference call at 1:00 p.m. Eastern Time on April 29, 2014 to discuss first quarter results. The webcast will be available on UDR's website at www.udr.com. To listen to a live broadcast, access the site at least 15 minutes prior to the scheduled start time in order to register, download and install any necessary audio software.

To participate in the teleconference dial 877-941-8609 for domestic and 480-629-9692 for international and provide the following conference ID number: 4676019.

A replay of the conference call will be available through May 29, 2014, by dialing 800-406-7325 for domestic and 303-590-3030 for international and entering the confirmation number, 4676019, when prompted for the pass code.

A replay of the call will be available for 30 days on UDR's website at www.udr.com.

Full Text of the Earnings Report and Supplemental Data

Internet -- The full text of the earnings report and Supplemental Financial Information will be available on the Company's website at www.udr.com.

Mail -- For those without Internet access, the first quarter 2014 earnings report and Supplemental Financial Information will be available by mail or fax, on request. To receive a copy, please call UDR Investor Relations at 720-348-7762.



Attachment 16(B)

UDR, Inc. Definitions and Reconciliations March 31, 2014 (Unaudited)

Funds From Operations ("FFO"): The Company defines FFO as net income (computed in accordance with GAAP), excluding impairment write-downs of depreciable real estate or of investments in non-consolidated investees that are driven by measurable decreases in the fair value of depreciable real estate held by the investee, gains (or losses) from sales of depreciable property, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. This definition conforms with the National Association of Real Estate Investment Trust's definition issued in April 2002. In the computation of diluted FFO, OP units, unvested restricted stock, stock options, and the shares of Series E Cumulative Convertible Preferred Stock are dilutive; therefore, they are included in the diluted share count.

Activities of our taxable REIT subsidiary (TRS), RE3, include development and land entitlement. From time to time, we develop and subsequently sell a TRS property which results in a short-term use of funds that produces a profit that differs from the traditional long-term investment in real estate for REITs. We believe that the inclusion of these TRS gains in FFO is consistent with the standards established by NAREIT as the short-term investment is incidental to our main business. TRS gains on sales, net of taxes, are defined as net sales proceeds less a tax provision and the gross investment basis of the asset before accumulated depreciation.

Management considers FFO a useful metric for investors as the Company uses FFO in evaluating property acquisitions and its operating performance and believes that FFO should be considered along with, but not as an alternative to, net income and cash flow as a measure of the Company's activities in accordance with GAAP. FFO does not represent cash generated from operating activities in accordance with GAAP and is not necessarily indicative of funds available to fund our cash needs. A reconciliation from net income attributable to UDR, Inc. to FFO is provided on Attachment 2.

Held For Disposition Communities: The Company defines Held for Disposition Communities as those communities that were held for sale as of December 31, 2013, prior to the adoption of the Financial Accounting Standards Board ("FASB") Accounting Standards Update No. 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*.

Interest Coverage Ratio: The Company defines Interest Coverage Ratio as net income, excluding the impact of interest expense, real estate depreciation and amortization of wholly owned and joint venture communities, other depreciation and amortization, noncontrolling interests, net gain on the sale of depreciable property, RE³ income tax, divided by total interest.

Management considers interest coverage ratio a useful metric for investors as it provides ratings agencies, investors and lending partners with a widely-used measure of the Company's ability to service its debt obligations as well as compare leverage against that of its peer REITs. A reconciliation of the components that comprise interest coverage ratio is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Joint Venture Reconciliation at UDR's Weighted Average Pro-Rata Ownership Interest

In thousands

	Q1 2014
Income/(loss) from unconsolidated entities	\$ (3,565)
Management fee	871
Interest expense	6,981
Depreciation	10,667
General and administrative	82
Other income/expense	(398)
Total Joint Venture NOI at UDR's Pro-Rata Ownership	\$ 14,638

JV Return on Equity ("ROE"): The Company defines JV ROE as the pro rata share of property NOI plus property and asset management fee revenue less interest expense, divided by the average of beginning and ending equity capital for the quarter.

Management considers ROE a useful metric for investors as it provides a widely used measure of how well the Company is investing its capital on a leveraged basis.

JV Return on Invested Capital ("ROIC"): The Company defines JV ROIC as the pro rata share of property NOI plus property and asset management fee revenue divided by the average of beginning and ending invested capital for the quarter.

Management considers ROIC a useful metric for investors as it provides a widely used measure of how well the Company is investing its capital on an unleveraged basis.

Net Debt to EBITDA: The Company defines net debt to EBITDA as total debt net of cash and cash equivalents divided by EBITDA. EBITDA is defined as net income, excluding the impact of interest expense, real estate depreciation and amortization of wholly owned and other joint venture communities, other depreciation and amortization, noncontrolling interests, net gain on the sale of depreciable property, and RE³ income tax.

Management considers net debt to EBITDA a useful metric for investors as it provides ratings agencies, investors and lending partners with a widely-used measure of the Company's ability to service its debt obligations as well as compare leverage against that of its peer REITs. A reconciliation between net income and EBITDA is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Net Operating Income ("NOI"): The Company defines NOI as rental income less direct property rental expenses. Rental income represents gross market rent less adjustments for concessions, vacancy loss and bad debt. Rental expenses include real estate taxes, insurance, personnel, utilities, repairs and maintenance, administrative and marketing. Excluded from NOI is property management expense which is calculated as 2.75% of property revenue to cover the regional supervision and accounting costs related to consolidated property operations, and land rent.

Management considers NOI a useful metric for investors as it is a more meaningful representation of a community's continuing operating performance than net income as it is prior to corporate-level expense allocations, general and administrative costs, capital structure and depreciation and amortization and is a widely used input, along with capitalization rates, in the determination of real estate valuations. A reconciliation from net income attributable to UDR, Inc. to NOI is provided below.

In thousands

	Q1 2014	4Q 2013	3Q 2013	2Q 2013	1Q 2013
Net income/(loss) attributable to UDR, Inc.	\$ 18,361	\$ 36,700	\$ 3,188	\$ 5,192	\$ (268)
Property management	5,345	5,233	5,168	5,123	5,004
Other operating expenses	1,926	1,925	1,776	1,799	1,636
Real estate depreciation and amortization	88,533	88,301	83,738	84,595	82,898
Interest expense	32,884	33,360	30,939	30,803	30,981
Casualty-related (recoveries)/charges, net	500	-	(6,460)	(2,772)	(3,021)
General and administrative	11,994	11,532	11,364	9,866	9,476
Tax provision/(benefit), net (includes valuation adjustment)	(3,329)	15	(2,658)	(2,683)	(1,973)
Income/(loss) from unconsolidated entities	3,565	(5,666)	3,794	(515)	2,802
Interest and other income, net	(1,415)	(1,328)	(829)	(1,446)	(1,016)
Joint venture management and other fees	(3,687)	(3,095)	(3,207)	(3,217)	(2,923)
Other depreciation and amortization	1,080	3,281	1,176	1,138	1,146
(Gain)/loss on sale of real estate owned	(24,294)	-	-	-	-
(Income)/loss from discontinued operations, net of tax	87	(41,376)	(884)	(829)	(853)
Net income/(loss) attributable to noncontrolling interests	651	1,302	47	162	(41)
Total consolidated NOI	\$ 132,201	\$ 130,184	\$ 127,152	\$ 127,216	\$ 123,848

Forward Looking Statements

Certain statements made in this press release may constitute “forward-looking statements.” Words such as “expects,” “intends,” “believes,” “anticipates,” “plans,” “likely,” “will,” “seeks,” “estimates” and variations of such words and similar expressions are intended to identify such forward-looking statements. Forward-looking statements, by their nature, involve estimates, projections, goals, forecasts and assumptions and are subject to risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed in a forward-looking statement, due to a number of factors, which include, but are not limited to, unfavorable changes in the apartment market, changing economic conditions, the impact of inflation/deflation on rental rates and property operating expenses, expectations concerning availability of capital and the stabilization of the capital markets, the impact of competition and competitive pricing, acquisitions, developments and redevelopments not achieving anticipated results, delays in completing developments, redevelopments and lease-ups on schedule, expectations on job growth, home affordability and demand/supply ratio for multifamily housing, expectations concerning development and redevelopment activities, expectations on occupancy levels, expectations concerning the joint ventures with third parties, expectations that automation will help grow net operating income, expectations on annualized net operating income and other risk factors discussed in documents filed by the Company with the Securities and Exchange Commission from time to time, including the Company's Annual Report on Form 10-K and the Company's Quarterly Reports on Form 10-Q. Actual results may differ materially from those described in the forward-looking statements. These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this press release, and the Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statement contained herein, to reflect any change in the Company's expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based, except to the extent otherwise required under the U.S. securities laws.

This press release and these forward-looking statements include UDR's analysis and conclusions and reflect UDR's judgment as of the date of these materials. UDR assumes no obligation to revise or update to reflect future events or circumstances.

About UDR, Inc.

UDR, Inc. (NYSE:[UDR](#)), an S&P 400 company, is a leading multifamily real estate investment trust with a demonstrated performance history of delivering superior and dependable returns by successfully managing, buying, selling, developing and redeveloping attractive real estate properties in targeted U.S. markets. As of March 31, 2014, UDR owned or had an ownership position in 52,567 apartment homes including 1,321 homes under development. For over 41 years, UDR has delivered long-term value to shareholders, the best standard of service to residents and the highest quality experience for associates. Additional information can be found on the Company's website at www.udr.com.



Attachment 1

UDR, Inc. Consolidated Statements of Operations ⁽¹⁾ (Unaudited)

In thousands, except per share amounts	Three Months Ended March 31,	
	2014	2013
REVENUES:		
Rental income ⁽²⁾	\$ 194,352	\$ 181,961
Joint venture management and other fees	3,687	2,923
Total revenues	<u>198,039</u>	<u>184,884</u>
OPERATING EXPENSES:		
Property operating and maintenance	36,720	34,821
Real estate taxes and insurance	25,431	23,292
Property management	5,345	5,004
Other operating expenses	1,926	1,636
Real estate depreciation and amortization	88,533	82,898
Acquisition costs	102	-
General and administrative	11,892	9,476
Casualty-related (recoveries)/charges, net	500	(3,021)
Other depreciation and amortization	1,080	1,146
Total operating expenses	<u>171,529</u>	<u>155,252</u>
Operating income	26,510	29,632
Income/(loss) from unconsolidated entities	(3,565)	(2,802)
Interest expense	(32,884)	(30,981)
Interest and other income/(expense), net	1,415	1,016
Income/(loss) before income taxes and discontinued operations	(8,524)	(3,135)
Tax benefit/(provision), net	3,329	1,973
Income/(loss) from continuing operations	(5,195)	(1,162)
Income/(loss) from discontinued operations, net of tax ⁽³⁾	(87)	853
Income/(loss) before gain/(loss) on sale of real estate owned	(5,282)	(309)
Gain/(loss) on sale of real estate owned, net of tax ⁽³⁾	24,294	-
Net income/(loss)	19,012	(309)
Net (income)/loss attributable to redeemable noncontrolling interests in the OP	(647)	45
Net (income)/loss attributable to noncontrolling interests	(4)	(4)
Net income/(loss) attributable to UDR, Inc.	18,361	(268)
Distributions to preferred stockholders - Series E (Convertible)	(931)	(931)
Net income/(loss) attributable to common stockholders	\$ 17,430	\$ (1,199)
Income/(loss) per weighted average common share - basic:		
Income/(loss) from continuing operations attributable to common stockholders	\$0.07	(\$0.01)
Income/(loss) from discontinued operations attributable to common stockholders	(\$0.00)	\$0.00
Net income/(loss) attributable to common stockholders	\$0.07	\$0.00
Income/(loss) per weighted average common share - diluted:		
Income/(loss) from continuing operations attributable to common stockholders	\$0.07	(\$0.01)
Income/(loss) from discontinued operations attributable to common stockholders	(\$0.00)	\$0.00
Net income/(loss) attributable to common stockholders	\$0.07	\$0.00
Common distributions declared per share	\$0.260	\$0.235
Weighted average number of common shares outstanding - basic	250,177	249,917
Weighted average number of common shares outstanding - diluted	251,822	249,917

(1) See Attachment 16 for definitions and other terms.

(2) 1Q 2013 is impacted by \$1.4 million of lost rent due to business interruption related to Hurricane Sandy.

(3) Effective January 1, 2014, UDR prospectively adopted Accounting Standards Update ("ASU") No. 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*, for all communities not previously sold or classified as held for sale. ASU 2014-08 incorporates into the definition of a discontinued operation a requirement that a disposition represent a strategic shift in an entity's operations, which resulted in UDR no longer classifying the sale of communities as a discontinued operation.



Attachment 2

UDR, Inc. Funds From Operations ⁽¹⁾ (Unaudited)

In thousands, except per share amounts	Three Months Ended March 31,	
	2014	2013
Net income/(loss) attributable to UDR, Inc.	\$ 18,361	\$ (268)
Distributions to preferred stockholders	(931)	(931)
Real estate depreciation and amortization, including discontinued operations	88,533	83,442
Noncontrolling interests	651	(41)
Real estate depreciation and amortization on unconsolidated joint ventures	10,667	9,005
Net (gain)/loss on the sale of depreciable property, excluding TRS	(23,174)	-
Funds from operations ("FFO"), basic	\$ 94,107	\$ 91,207
Distributions to preferred stockholders - Series E (Convertible)	931	931
FFO, diluted	\$ 95,038	\$ 92,138
FFO per common share, basic	\$ 0.36	\$ 0.35
FFO per common share, diluted	\$ 0.36	\$ 0.35
Weighted average number of common shares and OP Units outstanding - basic	259,496	259,298
Weighted average number of common shares, OP Units, and common stock equivalents outstanding - diluted	264,177	263,626
Impact of adjustments to FFO:		
Acquisition-related costs (including joint ventures)	\$ 102	\$ -
Gain on sale of land	(1,120)	-
Casualty-related (recoveries)/charges, net ⁽²⁾	500	(2,834)
	\$ (518)	\$ (2,834)
FFO as Adjusted, diluted	\$ 94,520	\$ 89,304
FFO as Adjusted per common share, diluted	\$ 0.36	\$ 0.34
Recurring capital expenditures	(6,601)	(6,762)
AFFO	\$ 87,919	\$ 82,542
AFFO per common share, diluted	\$ 0.33	\$ 0.31

(1) See Attachment 16 for definitions and other terms.

(2) 2014 adjustment relates to estimated damages at our Rosebeach community in California as a result of the earthquake in March 2014. 2013 adjustment primarily represents the portion of Hurricane Sandy insurance recoveries in 2013 that relate to the \$9.3 million in charges added back to FFO as Adjusted in 4Q 2012. The difference between the casualty-related recoveries reflected on the Consolidated Statements of Operations and the adjustment above represents the amount of 2013 business interruption recoveries during 1Q 2013. The business interruption insurance recoveries are offset by lost rental revenues from the business interruption in 1Q 2013.



Attachment 3

UDR, Inc. Consolidated Balance Sheets

In thousands, except share and per share amounts	March 31, 2014	December 31, 2013
	(unaudited)	(audited)
ASSETS		
Real estate owned:		
Real estate held for investment	\$ 8,075,799	\$ 7,723,844
Less: accumulated depreciation	(2,273,360)	(2,200,815)
Real estate held for investment, net	5,802,439	5,523,029
Real estate under development		
(net of accumulated depreciation of \$0 and \$1,411)	222,601	466,002
Real estate sold or held for disposition		
(net of accumulated depreciation of \$6,568 and \$6,568)	10,152	10,152
Total real estate owned, net of accumulated depreciation	6,035,192	5,999,183
Cash and cash equivalents	15,891	30,249
Restricted cash	23,131	22,796
Deferred financing costs, net	25,516	26,924
Notes receivable, net	84,568	83,033
Investment in and advances to unconsolidated joint ventures, net	517,927	507,655
Other assets	131,798	137,882
Total assets	\$ 6,834,023	\$ 6,807,722
LIABILITIES AND EQUITY		
Liabilities:		
Secured debt	\$ 1,442,873	\$ 1,442,077
Unsecured debt	2,185,373	2,081,626
Real estate taxes payable	20,173	13,847
Accrued interest payable	27,747	32,279
Security deposits and prepaid rent	30,731	27,203
Distributions payable	68,542	61,907
Accounts payable, accrued expenses, and other liabilities	76,007	118,682
Total liabilities	3,851,446	3,777,621
Redeemable noncontrolling interests in the OP	240,708	217,597
Equity:		
Preferred stock, no par value; 50,000,000 shares authorized		
2,803,812 shares of 8.00% Series E Cumulative Convertible issued		
and outstanding (2,803,812 shares at December 31, 2013)	46,571	46,571
Common stock, \$0.01 par value; 350,000,000 shares authorized		
251,430,708 shares issued and outstanding (250,749,665 shares at December 31, 2013)	2,514	2,507
Additional paid-in capital	4,110,625	4,109,765
Distributions in excess of net income	(1,414,997)	(1,342,070)
Accumulated other comprehensive income/(loss), net	(3,704)	(5,125)
Total stockholders' equity	2,741,009	2,811,648
Noncontrolling interests	860	856
Total equity	2,741,869	2,812,504
Total liabilities and equity	\$ 6,834,023	\$ 6,807,722



Attachment 4(C)

UDR, Inc. Selected Financial Information ⁽¹⁾ (Unaudited)

	Quarter Ended March 31, 2014
Coverage Ratios	
Net income/(loss) attributable to UDR, Inc.	\$ 18,361
Adjustments (includes continuing and discontinued operations):	
Interest expense	32,884
Real estate depreciation and amortization	88,533
Real estate depreciation and amortization on unconsolidated joint ventures	10,667
Other depreciation and amortization	1,080
Noncontrolling interests	651
Income tax expense/(benefit)	(3,329)
EBITDA	<u>\$ 148,847</u>
Casualty-related (recoveries)/charges, net	500
Gain/(loss) on sale of real estate owned, net of tax	(24,294)
Acquisition costs	102
EBITDA - adjusted for non-recurring items	<u>\$ 125,155</u>
Annualized EBITDA - adjusted for non-recurring items	<u>\$ 500,620</u>
Interest expense	\$ 32,884
Capitalized interest expense	5,308
Total interest	<u>\$ 38,192</u>
Preferred dividends	\$ 931
Total debt	\$ 3,628,246
Cash	15,891
Net debt	<u>\$ 3,612,355</u>
Interest Coverage Ratio	<u>3.90x</u>
Fixed Charge Coverage Ratio	<u>3.80x</u>
Interest Coverage Ratio - adjusted for non-recurring items	<u>3.28x</u>
Fixed Charge Coverage Ratio - adjusted for non-recurring items	<u>3.20x</u>
Net Debt-to-EBITDA, adjusted for non-recurring items	<u>7.2x</u>

Debt Covenant Overview

Unsecured Line of Credit Covenants ⁽²⁾	Required	Actual	Compliance
Maximum Leverage Ratio	≤60.0%	41.1%	Yes
Minimum Fixed Charge Coverage Ratio	≥1.5	2.7	Yes
Maximum Secured Debt Ratio	≤40.0%	19.9%	Yes
Minimum Unencumbered Pool Leverage Ratio	≥150.0%	300.8%	Yes

Senior Unsecured Note Covenants ⁽³⁾	Required	Actual	Compliance
Debt as a percentage of Total Assets	≤60.0%	39.9%	Yes
Consolidated Income Available for Debt Service to Annual Service Charge	≥1.5	3.4	Yes
Secured Debt as a percentage of Total Assets	≤40.0%	15.8%	Yes
Total Unencumbered Assets to Unsecured Debt	≥150.0%	281.2%	Yes

Securities Ratings	Debt	Preferred	Outlook
Moody's Investors Service	Baa2	Baa3	Positive
Standard & Poor's	BBB	BB+	Stable

(1) See Attachment 16 for definitions and other terms.

(2) As defined in our credit agreement dated October 25, 2011 as amended June 6, 2013.

(3) As defined in our indenture dated November 1, 1995 as amended, supplemented or modified from time to time.



Attachment 16(D)

UDR, Inc. Definitions and Reconciliations March 31, 2014 (Unaudited)

All guidance is based on current expectations of future economic conditions and the judgment of the Company's management team. The following reconciles from GAAP net income/(loss) per share for full year 2014 and second quarter of 2014 to forecasted FFO, FFO as Adjusted and AFFO per share:

	Full Year 2014	
	Low	High
Forecasted earnings per diluted share	\$ 0.13	\$ 0.19
Conversion from GAAP share count	(0.08)	(0.08)
Net (gain)/loss on the sale of depreciable property, excluding TRS	(0.09)	(0.09)
Depreciation	1.51	1.51
Noncontrolling Interests	(0.01)	(0.01)
Preferred Dividends	0.01	0.01
Forecasted FFO per diluted share	\$ 1.47	\$ 1.53
TRS gains from asset sales	(0.01)	(0.01)
Acquisition costs	0.01	0.01
Forecasted FFO as Adjusted per diluted share	\$ 1.47	\$ 1.53
Recurring capital expenditures	(0.17)	(0.17)
Forecasted AFFO per diluted share	\$ 1.30	\$ 1.36

	2Q 2014	
	Low	High
Forecasted earnings per diluted share	\$ -	\$ 0.02
Conversion from GAAP share count	(0.02)	(0.02)
Net (gain)/loss on the sale of depreciable property, excluding TRS	-	-
Depreciation	0.38	0.38
Noncontrolling Interests	-	-
Preferred Dividends	-	-
Forecasted FFO per diluted share	\$ 0.36	\$ 0.38
TRS gains from asset sales	-	-
Acquisition costs	-	-
Forecasted FFO as Adjusted per diluted share	\$ 0.36	\$ 0.38
Recurring capital expenditures	(0.05)	(0.05)
Forecasted AFFO per diluted share	\$ 0.31	\$ 0.33